

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re : Chapter 9
: :
CITY OF DETROIT, MICHIGAN, : Case No. 13- 53846
: :
Debtor. : Hon. Steven W. Rhodes
: :
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**STIPULATION BY AND BETWEEN THE CITY
OF DETROIT, MICHIGAN AND CREDITORS REGARDING
ADJOURNMENT OF THE HEARING ON PLAN CONFIRMATION**

The City of Detroit, Michigan (the “**City**”) and certain creditors objecting to confirmation of the *Seventh Amended Plan for the Adjustment of Debts of the City of Detroit (September 15, 2014)* [Docket No. 7502] (the “**Objecting Creditors**”)¹ (collectively, the “**Parties**”) by and through each of their undersigned counsel, hereby stipulate as follows:

¹ Financial Guaranty Insurance Company (“**FGIC**”), Deutsche Bank AG, London, Dexia Credit Local and Dexia Holdings, Inc., Panning Capital Management, LP, on behalf of funds and accounts managed by it, Monarch Alternative Capital LP, on behalf of funds and accounts managed by it, Bronze Gable, L.L.C., Aurelius Capital Management, LP, on behalf of its managed entities, Stone Lion Capital Partners, L.P., on behalf of funds and accounts managed by it, BlueMountain Capital Management, LLC, on behalf of funds and accounts managed by it, and the

WHEREAS, on July 18, 2014, the City filed a petition for relief under chapter 9 of title 11 of the United States Code;

WHEREAS, on August 13, 2014 this Court entered an *Eighth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment* [Docket No. 6699] (the "**Scheduling Order**"), setting hearing dates relating to confirmation of the Plan;

WHEREAS, on August 20, 2014 the City filed the *Sixth Amended Plan for the Adjustment of Debts of the City of Detroit (September 15, 2014)* [Docket No. 6908];

WHEREAS, on September 9, 2014 the City announced an agreement in principle with Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, "**Syncora**") whereby Syncora would withdraw its objection to the Plan in connection with a settlement of its claims against the City;

WHEREAS, on September 14, 2014 the Objecting Creditors filed a *Motion of Creditors for Adjournment of Confirmation Hearing and Relief from Scheduling Order* [Docket No. 7474] (the "**Motion**");²

Macomb Interceptor Drain Drainage District ("**MIDDD**"), and Wilmington Trust, N.A., in its capacity as successor contract administrator.

² Wilmington Trust, N.A., in its capacity as successor contract administrator, joined the Motion by filing a *Joinder to Motion of Creditors for Adjournment of*

WHEREAS, on September 15, 2014 the City represented to the Court during a hearing on the Motion that it would be filing a *Seventh Amended Plan for the Adjustment of Debts of the City of Detroit* (the “**Seventh Amended Plan**”) on or about September 15, 2014;

WHEREAS, after a hearing, this Court determined that the filing of the Seventh Amended Plan constituted extraordinary cause for an adjournment of the hearing on plan confirmation and urged the City and the Objecting Creditors to agree to a revised schedule;

WHEREAS, on September 16, 2014 the City filed the Seventh Amended Plan [Docket No. 7503];

NOW, THEREFORE, in order to allow an opportunity for the Objecting Creditors to analyze the Seventh Amended Plan, the Parties hereby:

1. Agree that the hearing on plan confirmation shall be adjourned from Friday, September 19, 2014 until Monday, September 29, 2014 and shall follow the Court’s Scheduling Order thereafter;
2. Agree that any supplemental objections to the Seventh Amended Plan shall be filed by Friday, September 19, 2014;

Confirmation Hearing and Relief from Scheduling Order and Limited Statement Respecting Settlement Terms [Docket No. 7476].

3. Agree that responses to supplemental objections to the Seventh Amended Plan shall be filed by Friday, September 26, 2014;

4. Agree that fact discovery, if any, regarding the Seventh Amended Plan shall occur between September 19, 2014, and September 28, 2014;

5. Agree that supplemental expert reports based on the Seventh Amended Plan, if any, shall be served by September 29, 2014 and that any witness serving a such supplemental expert report may be deposed at any time prior to his or her testimony;

6. Agree that the Objecting Creditors may call Mr. Kevin Murphy as an expert witness in support of their objections to the Seventh Amended Plan, and that the plan supporters may take Mr. Murphy's deposition prior to his testimony;

7. Request that the Court enter the proposed order attached hereto as **Exhibit 1** approving this Stipulation.

Dated: September 16, 2014

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Exhibit 1
Proposed Order

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re : Chapter 9
: :
CITY OF DETROIT, MICHIGAN, : Case No. 13- 53846
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**ORDER APPROVING STIPULATION BY AND BETWEEN THE
CITY OF DETROIT, MICHIGAN AND CREDITORS REGARDING
ADJOURNMENT OF THE HEARING ON PLAN CONFIRMATION**

The Stipulation By and Between the City of Detroit, Michigan and Creditors Regarding Adjournment of the Hearing on Plan Confirmation (the “**Stipulation**”)³ having been entered into by and between the City of Detroit, Michigan (the “**City**”) and Objecting Creditors on September 16, 2014; the Court having reviewed the Stipulation; the Court finding that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and that this is a core proceeding pursuant to 28 U.S.C. § 157 (b); and the Court being fully advised in the premises;

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Stipulation.

This Court finds that:

1. The Stipulation is approved;
2. The hearing on plan confirmation shall be adjourned from Friday, September 19, 2014 until Monday, September 29, 2014 and shall follow the Court's Eighth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment [Docket No. 6699] (the "**Scheduling Order**") thereafter;
3. Any supplemental objections to the Seventh Amended Plan shall be filed by Friday, September 19, 2014;
4. Responses to supplemental objections to the Seventh Amended Plan shall be filed by Friday, September 26, 2014;
5. Fact discovery, if any, regarding the Seventh Amended Plan shall occur between September 19, 2014 and September 28, 2014;
6. Supplemental expert reports based on the Seventh Amended Plan, if any, shall be served, but not filed, by September 29, 2014;
7. Any witness serving a such supplemental expert report may be deposed at any time prior to his testimony;
8. The Objecting Creditors may call Mr. Kevin Murphy as an expert witness in support of their objections to the Seventh Amended Plan;

9. The plan supporters may take Mr. Murphy's deposition prior to his testimony;

10. The provisions of the Court's Scheduling Order shall remain in full force and effect except as modified by the Stipulation.